

DOOR-TO-DOOR SALES

WHAT IS A DOOR-TO-DOOR SALE?

Products frequently misrepresented by door-to-door salespeople include home improvements such as siding and storm windows, funeral service contracts, living trusts, books, and magazines. There are some specific legal definitions of door-to-door sales that determine what is covered by the law and what is not. A door-to-door sale takes place whenever a consumer purchases goods or services for more than \$25 payable in cash or installments, at a place other than the merchant's place of business (including at the consumer's home.)

The door-to-door sales laws do not apply to certain transactions, such as:

- Sales of insurance and farm equipment.
- Real estate purchases under \$100 repitition.
- A sale of real property where an attorney or broker assists in the transaction.
- Sales made pursuant to prior negotiations at the merchant's business establishment, where the sale is the result of those negotiations.
- Sales conducted entirely by mail or telephone, with no other contact between the buyer and seller.

WATCH OUT FOR TRICKS

- Be suspicious of anyone who tries to sell by playing on your emotions. For example, some sellers will suggest you are shirking your responsibilities to your family if you don't buy their product.
- Be suspicious of salespeople who tell you they are selling their service or product at the lowest

price or tell you that their competitors do poor quality work.

- Be suspicious of salespeople who say they have done other work in your city or neighborhood, but refuse to give you the names of some past customers.

Ask yourself how you will get your money back if the salesperson doesn't deliver or if the product is defective. If you buy from a reputable local business, you can always take the product back. If you buy from a fly-by-night seller, chances are you'll never see him or her again.

WHAT THE LAW SAYS

Under Texas law [Texas Business & Commerce Code Ann., Sec. 39.001 et seq.], the door-to-door seller must do the following:

- Advise you orally and in writing of your 3 day right to cancel.
- Give you a contract or receipt stating the date of the sale, the name and address of the merchant, and a statement to you of your right to cancel the contract which includes the address where you send your cancellation notice. The contract or receipt and the notice of your right to cancel must be in the same language as that principally used in the sales presentation. For example, if you and the salesperson spoke in Spanish during the sale, the contract also must be in Spanish.

CANCELING A DOOR-TO-DOOR SALE

If the salesperson provided you with the right forms, to cancel the sale you may simply sign the



ATTORNEY GENERAL OF TEXAS
GREG ABBOTT

one titled "notice of cancellation," date it, and mail it back to the seller. To obtain a full refund, you must do this before midnight of the third business day after the sale. Keep a copy of the form.

If the salesperson did not provide a cancellation form, you may still cancel your contract. But remember, you must cancel in writing. Be sure to keep a copy of the contract and your letter notifying the seller of the cancellation. Of course, the sooner you do this, the better.

IF YOU CANCEL THE CONTRACT...

- After you cancel, the seller has ten business days to refund your money, return any note you may have signed concerning the sale, and return any trade-in items.
- The seller of the goods must notify you within twenty days whether he or she intends to retrieve the goods or abandon them. He or she may not require you to mail or ship the goods back.
- If the seller fails to notify you of his or her intention to repossess the goods within twenty days after cancellation, you may not be forced to return the goods at a later date. You are not obligated to return goods to the seller until you have recovered either your money or your note.

The seller must restore your property to its original condition if any "improvements" were made to it, and you want it restored.

DON'T BE A VICTIM

Don't be pushed into signing a contract or giving your money to a salesperson unless you're sure you want the product. Take time to think about it. You should always do some comparison shopping. Remember, any time you get a "once in a lifetime" offer, you should be suspicious.

You must receive a "Notice of Cancellation" under Texas law. You always have three days to cancel the contract, regardless of whether you have received any goods or services. Keep your receipt or contract and a copy of your cancellation notice. You may need them if you seek legal help. You should mail your notice by certified mail to prove you complied with the law.

Contact the Better Business Bureau before buying anything door-to-door. Ask if they have had any complaints about the company.

If you want to file a complaint or report a possible violation of the Door-to-Door sales law, contact the Better Business Bureau or the Attorney General regional office nearest you. We're here to help you.

CONTACT INFORMATION

BY US MAIL

Office of the Attorney General
Consumer Protection Division/010
P. O. Box 12548
Austin, Texas 78711-2548

ON THE INTERNET

www.oag.state.tx.us

BY TELEPHONE

Main agency switchboard
(512) 463-2100
Consumer Protection Division
1-800-621-0508 or
Regional Offices
Austin • 512-463-2070
Dallas • 214-969-5310
El Paso • 915-834-5800
Houston • 713-223-5886
Lubbock • 806-747-5238
McAllen • 956-682-4547
San Antonio • 210-224-1007

PUBLIC INFORMATION & ASSISTANCE

(512) 463-2007
(800) 252-8011